

**IN THE UNITED STATES DISTRICT COURT FOR
THE WESTERN DISTRICT OF PENNSYLVANIA**

DICK'S SPORTING GOODS, INC.,

Plaintiff,

v.

PAUL GAFFNEY,

Defendant.

Civil Action No. _____

COMPLAINT

Dick's Sporting Goods, Inc. ("Dick's Sporting Goods") brings this action against Paul Gaffney ("Gaffney") for breach of contract.

PARTIES

1. Dick's Sporting Goods is a Delaware corporation with its principal place of business at 345 Court Street, Coraopolis, Pennsylvania.

2. Gaffney is an adult individual who, on information and belief, resides at 425 E Menomonee Street, Apt. 204, Milwaukee, Wisconsin.

JURISDICTION AND VENUE

3. This Court has jurisdiction over this dispute pursuant to 28 U.S.C. § 1332, as there is diversity of citizenship between the parties and the amount in controversy exceeds seventy-five thousand dollars.

4. Venue is appropriate in this Court because a substantial portion of the events giving rise to the claim asserted in this action occurred in this judicial district.

BACKGROUND

5. On November 1, 2017, Dick's Sporting Goods sent an offer letter to Gaffney for the position of EVP-Chief Technology Officer (the "Offer Letter").

6. The Offer Letter provided that Gaffney would be paid a sign-on bonus of \$1,500,000 and that Gaffney must execute a Sign-On Bonus Agreement prior to his start date.

7. Gaffney executed the Offer Letter and accepted Dick's Sporting Good's offer of employment on November 7, 2017.

8. Gaffney executed a Sign-On Bonus Repayment Acknowledgment Form (the "Sign-On Bonus Agreement"). Ex. 1.

9. Pursuant to the Sign-On Bonus Agreement, Gaffney agreed to "repay Dick's Sporting Goods 100% of the cost the Company incurred by paying me a Sign-On Bonus if I elect to leave my employment with Dick's Sporting Goods within 365 days after my date of hire and 50% if I elect to leave my employment with Dick's Sporting Goods within two years after my date of hire." See Ex. 1.

10. Gaffney's date of hire was November 20, 2017.

11. Dick's Sporting Goods paid Gaffney a sign-on bonus of \$1,500,000.

12. Gaffney resigned from Dick's Sporting Goods on September 6, 2019.

13. Despite a demand by Dick's Sporting Goods, Gaffney has refused to pay the full amount due to Dick's Sporting Goods under the Sign-On Bonus Agreement.

COUNT I - BREACH OF CONTRACT

14. Dick's Sporting Goods incorporates the preceding paragraphs as though set forth in full.

15. Gaffney resigned from Dick's Sporting Goods less than two years after he was hired.

16. Under the terms of the Sign-On Bonus Agreement, Gaffney is required to repay Dick's Sporting Goods 50% of the costs the company incurred by paying Gaffney a sign-on bonus.

17. Dick's Sporting Goods paid Gaffney a sign-on bonus of \$1,500,000.

18. Under the Sign-On Bonus Agreement, Gaffney owes Dick's Sporting Goods \$750,000.

19. Gaffney has refused to pay Dick's Sporting Goods \$750,000, which refusal constitutes a breach of the Sign-On Bonus Agreement.

20. Dick's Sporting Goods is entitled to damages for Gaffney's breach of the Sign-On Bonus Agreement in an amount not less than \$750,000.

21. Dick's Sporting Goods is entitled to prejudgment interest on the amount due under the Sign-On Bonus Agreement in accordance with Pennsylvania law.

WHEREFORE, Dick's Sporting Goods, Inc. demands judgment against Paul Gaffney in the amount of no less than \$750,000, plus pre-judgment interest and any such further relief as the Court may deem appropriate.

JURY TRIAL DEMAND

Dick's Sporting Goods demands a jury trial on all issues.

Respectfully submitted,

/s/ Andrew K. Fletcher

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